



Holly Park School Financial Management Policy

Aims

This document has been adopted by the Governing Body as the basis for the administration and management of the finances of Holly Park Primary School. The aim of this policy is to provide a framework within which individual members of staff, school Governors and all other interested parties can exercise financial management stewardship in an efficient and effective way

I. Principles of Financial Management

1.1 This policy has been drafted in line with the London Borough of Barnet's Scheme for Financing Schools. Practices described arise out of the implementation of Fair Funding employed here since April 1999 under Section 48 of the School Standards and Framework Act 1998, and that it conforms to Contract Standing Orders.

1.2 The Governing Body will manage their affairs with high standards of Public Sector Administration, based on a distinct set of values, the fundamental principles of which are

Openness – an open approach to all interested parties in the disclosure of information, that lends itself to necessary scrutiny

Integrity – this is best described as both straight forward dealing and completeness

Accountability – the process whereby individuals are responsible for their actions and decisions

1.3 The Governing Body will apply the four principles of best value to all financial and school dealings: to ensure the most effective, economic and efficient means available namely -

Challenge – regularly reviewing how and why the services of the school are provided and setting targets and performance indicators for improvement

Comparison – monitoring outcomes and performance of similar services with other schools and within the school

Consultation – with appropriate stakeholders before major decisions are made

Competition – through quotations and tenders to ensure that the school are secured in the most efficient and effective way (i.e. to ensure Best Value)

1.4 The Governing body will strive to ensure that the school is using its resources effectively to meet the needs of our pupils. We will submit our Annual Budget to the LA. The progress will be monitored with the School Improvement Plan in order to determine the extent of continuous improvement

1.5 Holly Park will seek to achieve efficiencies and value for money, to optimise the use of resources and to invest in teaching and learning, taking into account the Authority's purchasing, tendering and contracting requirements. The Headteacher and governors will determine at school level how to secure better value for money.

2. Component Financial Policies to the Financial Management Policy

2.1 Organisation of Responsibility and Accountability

The responsibilities of The Governing Body, its committees, the Headteacher and staff involved in finances are clearly defined to avoid duplication or omission of functions and to provide a framework of accountability and that the limits of delegated authority be clearly defined

The Governing Body recognises the importance of clearly defining the roles and responsibilities of its committees, the Headteacher and of other staff. The terms of reference for the Finance Committee are clearly laid out.

Thus, in accordance with the school's needs and priorities as laid out in the School Improvement Plan, the following arrangements have been approved

- 2.1.1 That the full Governing Body and the Headteacher will decide how to spend the budget and that the budget must only be spent for the purposes of the school.

Area of Authorisation:

Task	Head/Deputy	Approved Staff	Finance Staff	LA	Office Manager	Governing Body	Finance & Premises Committee	S&PW Committee
Financial Management Policy						✓	✓	
Policy for Pay and Conditions						✓	✓	
Letting Policy						✓	✓	
Data Security Policy	✓					✓		✓
Whistleblowing Policy						✓	✓	
Charging Policy						✓	✓	
Budget Allocation	✓		✓	✓				
Budget Estimates	✓		✓					
Budget Approval						✓	✓	
Budget Spending Authorisation	✓							
Allocation of Funds (Depts)	✓							
Approval of Virements	✓					✓	✓	
Ordering Supplies and Services		✓						
Expenditure Authorisation	✓	✓			✓			
Authorisation of Payments	✓							
Checking of Invoices			✓		✓			
Checking of Income			✓		✓			

Task	Head/ Deputy	Approved Staff	Finance Staff	LA	Office Manager	Governing Body	Finance & Premises Committee	S&PW Committee
Banking/ Withdrawals	✓	✓	✓		✓			
Reconcile Monthly Accounts			✓					
Reconcile to the LA			✓					
Monitoring of Expenditure/Income	✓	✓	✓				✓	
Checking Deliveries		✓			✓			
Monitoring of the Inventory		✓			✓			
Salaries	✓							
Contracts	✓				✓	✓	✓	
Capital Items	✓					✓		
Insurance	✓			✓	✓	✓		
Furniture	✓				✓			
Leasing/Lettings	✓				✓	✓	✓	

2.1.2 That the role of Governing Body is

- To be responsible for overall financial management of the school
- To meet in full at least once a term
- To plan the budget and delegate responsibility to budget holders.
- To ensure the requirements of the Barnet scheme for financial management and associated guidance are met
- To ratify Policies drawn up by the relevant committees
- To ratify and approve the school budget. The full Governing Body must consider and approve a budget plan and report it to the Chief Finance Officer by the LA deadline each year.
- To authorise virements (journalled movements of funds) in excess of £25,000.00. All such virements will be recorded and reported for information to the next full Governing Body meeting.
- To approve expenditure on major capital projects and to seek LA approval before proceeding
- To authorise the school for spending on any one order or event up to the sums specified in the authorities manual. Beyond this level the authority of the Finance Committee or the Governing Body will be required
- To authorise write-offs and disposals of stock over and above the Headteacher's discretionary limit
- The Governing Body of each school must establish a register of business interests, which lists for each member of the Governing Body, the Headteacher and any member of staff who is authorised to enter into a contract on behalf of the school, any material business interests they or any member of their immediate family have. The register must be kept up to date with notification of changes and through an annual review of entries. It must be available for inspection by governors, staff and parents, during normal school hours and at Governing Body meetings. It must be on the school website. A hard copy is held by the school office.
- To approve variations in planned spending
- To approve and authorise Leasing and Hire agreements
- To provide information relating to finance issues to parents if required
- To maintain minutes of meetings that may be open to a full Governing Body meeting

- To maintain confidential minutes (denoted as “Part 2”) that will have limited access
- To demonstrate compliance with the Schools Financial Value Standard (SFVS) and complete the assessment form on an annual basis. Governors must demonstrate compliance through the submission of the SFVS assessment form signed by the Chair of Governors. The form must include a summary of remedial actions with a clear timetable, ensuring that each action has a specified deadline and an agreed owner. *Governors must monitor the progress of these actions to ensure that all actions are cleared within specified deadlines.* As agreed by the Schools Forum, all maintained schools with a delegated budget must submit the form to the local authority before 31 January annually. The governing body delegate this task to the finance committee.
- To respond to an external finance audit within three months and indicate if the reported actions/risks have been implemented
- Ensure all staff are informed of policies and procedures related to fraud and theft (whistleblowing policy, staff code of conduct, staff handbook)
- To ensure that the school only uses credit or debit cards under terms and conditions agreed with the Chief Finance Officer.
- Report to the LA on the use the school intends to make of its balance where the balance exceeds 5% of the school’s budget share
- To ask the LA for a loan if necessary for a one off capital project
- To write a deficit recovery plan if necessary
- To ensure that the school has a LA approved bank or building society for the purpose of receiving budget share payments and other income. (Annex C of the Scheme for Financing Schools)

2.1.3 That the role of the Finance & Premises Committee of the Governing Body is

- To consider and approve a provisional budget upon receipt of the allocation from the LA for consideration by the main Governing Body
- To monitor the income and expenditure in conjunction with the Headteacher and report to the Governing Body on a termly basis
- To authorise virements between £5,000 and £25,000.00
- To agree the level of delegation of the Headteacher for the day to day running of the school
- To prepare and review policies giving consideration to the planning and resources of the school in line with the school’s improvement plan
- To review the Financial Management Policy on an annual basis
- To produce and review the Pay Policy on an annual basis
- To annually review the staff salaries in line with legislation and make recommendations to the Governing Body
- To review and submit the SFVS annually and monitor it.
- To ensure that all Governing Body and other committee financial decisions are based on raising the achievement and considering the wellbeing of all children.
- To undertake a programme of benchmarking of significant items within the school’s budgets.
- To ensure a register of business interests is put in place and that all governors provide details on an annual basis and a declaration of pecuniary interests is made at required intervals
- To review pupil premium allocation and spend.
- To review the Sports Grant allocation and spend.

2.1.4 That the role of the Finance and Premises Committee in relation to premises is

- To prepare the schools Asset Management Plan
- To ensure health and safety training is up to date and implemented

- To prepare and review a schedule of regular maintenance
- To monitor and oversee any capital programmes
- To ensure that tenders must include a requirement to assess in advance, where relevant the health and safety competence of contractors.

Furthermore, that the Finance and Premises Committee can, by delegated authority from the full Governing Body, authorise all capital programmes within its area of responsibility.

- 2.1.5 That the role of the Staffing and Pupil Welfare Committee in relation to finance is
- To prepare and review the staffing policies including recruitment and selection, and make recommendations to the Governing Body
 - To ensure that staff are appointed in accordance with agreed procedures
 - To review the school's performance management/appraisal policy and monitor compliance with it.
 - To ensure that the staffing levels in the school reflect the needs of the pupils and support the School Improvement Plan.

- 2.1.6 That the role of the Headteacher is
- To ensure that the school seeks to achieve value for money
 - To ensure that all arrangements for appraisal are in place and being implemented
 - To prepare budget estimates in conjunction with the School Accountant
 - To advise the Finance Committee on spending priorities
 - To ensure that school expenditure reflects priorities in the School Improvement Plan including plans for money held in reserve for future projects.
 - To implement expenditure in line with the school budget
 - To approve virements up to £5,000
 - To consult the Finance Committee or chair/chair of finance on virements between £5,000 and £25,000
 - To consult with the Governing Body on virements over £25,000
 - To monitor the budget monthly using reports issued by the School Finance Assistant
 - To authorise expenditure on a day to day basis in line with the budget
 - To authorise any overtime/extra hours and claims forms
 - To ensure that HR are informed of any staff or staff hour changes
 - To sign cheques (only if other signatories are not available) and to ensure that all cheque requests are supported by the appropriate documentation
 - To submit regular reports to the Governing Body giving details of income, expenditure and commitments to date
 - To ensure that any recommendations made in audit reports are implemented
 - To ensure that relevant staff are aware of and implement the Construction Industry taxation scheme
 - To publish a register of business interests for the governing body (on the school website)
 - Ensure that all staff are aware of policies and procedures relating to fraud and theft
 - To ensure that all staff have regular GDPR training (Bi annual)
 - To ensure that all staff have regular Cyber security training (Bi annual)

The Headteacher is responsible to the Governing Body for ensuring the effective operation of the finance function. The Headteacher will ensure that –

- The roles of each staff member are clearly defined and the duties of staff concerned with financial transactions will, as far as is practicable, be distributed to ensure that key tasks are assigned to separate members of staff and that appropriate systems of internal checks exist.
- Local Authority and State financial regulations and instructions are adhered to

- Systems are in place to ensure that financial control is maintained at all times including procedures to deal with the short and long term absence of key staff
- Appropriate documentation and records of transactions are maintained

2.1.7 That the role of Budget Holders is

- Budget holders will submit to the Headteacher the requirements for their area of responsibility as required.
- Additional funding will need the approval of the Headteacher before proceeding
- The ordering and organising of ordering of goods and services as agreed via Z order or purchase with receipts
- Checking delivered goods against Z order
- Monitoring their allocated budget

2.1.8 Role of School School Finance Assistant and School Accountant:

- Orders:
 - to check budgets before sending orders to suppliers to ensure that budgets do not become overspent
 - to process orders on the finance accounting package
 - to ensure deliveries are received
- Payments:
 - to process invoices for prompt payment
 - to keep the accounting records accurate and up to date
 - to pay salaries through payroll administration in accordance with both LA (support staff) and national (teachers) conditions
- Reports:
 - to produce monthly reports for the Headteacher
 - to provide monthly reports to the LA on income and expenditure, VAT and bank reconciliation
 - to monitor salary expenditure via the LA Statement of Accounts
 - to provide year end forecasts of income and expenditure at end of September and December for the LA
 - to inform the governors of the surplus/defecit balances from one financial year to the next
 - to provide the LA with person and pension data as required so that they can submit their annual return
- Budgets
 - to ensure the set budget limits are not exceeded
 - to ensure that budget holders receive reports monthly
 - to reconcile to the LA accounts on a monthly basis
- Bank
 - to ensure that the official funds bank account will not become overdrawn
 - to reconcile all bank accounts on a regular established basis

2.1.8 The Role of the Office Manager – (delegating some tasks to the Office Admin assistant)

Secretarial Administration

- To monitor, manage and oversee the school's dinner registers, and maintain accurate records of monies paid and monies owed from our online School Money system
- To manage the school's visitor and other files, and to be responsible for them during fire alarms and drills
- To oversee the filing of records, including pupil and staff records
- To manage the receipt of information from parents
- To manage the immediate transfer of information to receiving schools as and when required
- Operate the school management system

Financial Administration

- To receive and receipt any real monies coming into the school for the following: book fair and any other real cash payments
- To keep account of monies being paid and owed via our online school money system for the following: dinner money, breakfast club; trips and visits; clubs; school journeys and payment for concert and show tickets
- To manage the school money system in general – including permissions for trips
- To reconcile school dinner money income and money for school trips
- To maintain accurate records of monies paid and monies owed under the guidance of the School Finance Assistant
- Ordering of stationery
- Other office sundries
- Sending out payments for invoices
- Overseeing the administration of school trips, charity collections, donations etc
- Following up any queries with regard to the delivery of goods
- To chase debts from parents
- To prepare any cash for banking collection as necessary – although we are a predominantly cash free school. There may be cash for charity collections etc
- To maintain the highest standards of financial management to meet audit requirements
- To keep account of monies being paid and owed via our online school money system for breakfast club, school lunches, trips, residential etc
- Loan Folder - to record details of all valuable assets removed from premises and to record their safe return.
- Register of Business Interests - To form a register of Business Interests folder for the governing body and key school staff
- Register of Assets (Inventory) - To ensure that the school inventory is kept up to date
- To ensure that monies that are received are banked promptly
- Maintain lettings files.

Working within the Office Team

- To receive and check deliveries and matching delivery notes to ordering documentation in accordance with financial requirements.
- To maintain school reprographic equipment, including liaising with suppliers and engineers.
- To use the school management system and input information as required by the school.

2.2 Budget Management

- 2.2.1 The school budget is linked to the SIP which is drawn up by the Headteacher in consultation with SLT, staff and governors. This is agreed annually by governors. To allow effective financial management of resources an annual budget will be prepared by the Headteacher, and members of the Finance Committee. This budget shall be prepared and ratified by the full Governing Body within the deadlines set by the Local Authority.
- 2.2.2 It shall also be in sufficient detail to allow regular and meaningful budget monitoring and reporting (at least termly) to take place and be consistent with the aims, priorities and objectives included within the school's development plan. Governors and Headteacher will periodically review the provision of financial information to ensure that what is provided is appropriate, particularly in terms of timing, level of content detail and narrative detail. The Headteacher will ensure that funding for the Pupil Premium and Sports Grants are allocated meets any eligibility criteria.
- 2.2.3 The school's budget will not result in a deficit position. If this is the case, the school will follow the "Deficit Budget Procedures" as set out in the "Scheme For Financing Schools" from the Local Authority. (See section 8)
- 2.2.4 It is essential that the reports produced are as accurate as is reasonably possible. The Headteacher is responsible for ensuring that controls are in place so that reports are of a sound standard. Any staff involved in the preparing of reports must ensure that they can guarantee the reliability of the information.
- 2.2.5 The Governing Body has set down that -
- The Headteacher will monitor the budget regularly.
 - Termly feedback to the Finance Committee will be submitted
 - The School Finance Assistant will check the statements of accounts sent by the LA monthly and any errors and omissions will be notified to the LA for correction by the Headteacher.
 - Individual budget holders (e.g departments) will monitor their own budgets and liaise with the Office Manager and finance team regarding any discrepancies
 - The allocation of funding is split into three main categories, employees, premises and supplies and services
- 2.2.6 The responsibilities for the set budget areas are as follows:

Employees

Salaries - Headteacher

Premises

Contracts - Headteacher/Site Manager/Premises Committee

Maintenance - Site Manager

Capital Items - Headteacher/Governors

Insurance - Office Manager/Headteacher

Supplies and Services

Subject equipment - Main Curriculum Subject Leaders

Consumables - Assistant Headteachers & EYFS Lead

Office supplies - Office Manager

First Aid Equipment - Pupil Support Officer

Furniture & Equipment - Headteacher

Leasing - Office manager/Headteacher/Governors

2.2.7 Internal Financial Control

To ensure financial control designated personnel are authorised by the Chair of Governors.

- Authorised signatures are as per the authorised signatory list.
- Budget holders submit their orders on official Z order forms, which are authorised and coded by authorised signatories. The Office Manager processes the orders i.e., emailed/sent to the supplier.
- Official orders placed during the school holidays or at other times when the normal signatory is unavailable are signed by the Headteacher. In this case, authorised signatories other than the Headteacher will sign the payment cheques.
- When goods arrive, they are checked against delivery notes and official orders. The designated member of staff and Office Manager will deal with any errors relating to deliveries.
- All invoices are stamped with the certification stamp, which is completed by the finance team. Invoices are coded to the appropriate budget heading by the School finance team.
- The preparation of cheques/BACS payments and invoices are prepared by the designated member of staff and sent to the authorised signatories for signing. The Headteacher checks invoices when signing.
- Designated personnel involved with financial documents including cheques, BACS, invoices, orders and receipts are aware that alterations should be made in ink and that Tippex or rubbers should never be used.
- Documents relating to finance are kept for a period of six years plus current working year.
- Current year accounting records are all kept in the school office, which is locked when not in use. Financial records from previous years are kept in a secure archive cupboard. The chequebooks, receipt books and unused official orders are locked in a locked secure cupboard in the office.
- An audit trail is maintained and only authorised staff have access to school accounting documents and the accounting package.

2.2.8 Insurance

- The Governing Body (through its delegated responsibility to the Finance Committee) will annually review and approve the school's insurance arrangements for the coming year, taking fully into account the insurance needs, risks and costs.
- The Headteacher will liaise with the Local Authority where appropriate to ensure that specific insurance arrangements remain appropriate. The Headteacher will be responsible for making the Governing Body aware of all new risks and incidents which may give rise to an insurance claim and that all such incidents are reported to the relevant insurers, the Local Authority or their insurance agent.
- The Governing Body can choose the insurance provider but must demonstrate that the insurance cover is as good as the LAs minimum cover if choosing to use a provider other than the LA

For information on **Insurance matters** –

- The school is currently insured through London Borough of Barnet. Schedules of cover are issued annually
- Both the premises and the contents are covered under the policy
- School property such as musical instruments and computers are covered by the insurance policy when they are off the premises
- All School journeys are insured by Barnet
- All losses and incidents are reported to the LA.

- An accident reporting book detailing all incidents is kept in the Medical room under the control of the Pupil Support Officer. Accidents that result in a visit to hospital are reported to Barnet.

2.2.9 Purchasing and Invoices

- The Governing Body aims to achieve the best value for money from all its purchases and the Governing Body (through its delegated responsibility to the Finance Committee) will ensure that established procedures are in place for guidance as regards the placing of orders and paying for goods.
- Compulsory quotation limits for the purchased of goods and services is set by the Governing Body as follows –
 - Up to £2,500 Headteacher’s decision (discretionary number of verbal or written quotes between zero and two)
 - £2,500 to £10,000 Two written quotes
 - £10,000 + Three formal quotes
- The school recognises that there may be times when companies are asked to quote and do not turn up or do not submit a quote despite the best efforts of the school to obtain them. Time pressures may also limit the opportunity to obtain the necessary quotes. In such cases the school will evidence that attempts were made to obtain the correct number of quotes.
- There may also be times when a particular contractor/supplier is preferred over others due to the fact that a particular project is ongoing and there is a need to keep to a ‘House Style’ in keeping with other works that were previously done in the school. This may result in a project running over a number of years (in sections) until the whole works are completed. Quotations will only be taken at the start.
- When choosing a particular quotation, a number of factors will be considered. These will include ‘best value,’ time frame, reliability, references etc
- Purchase orders will be raised for the majority of goods purchased and services supplied on receipt of a requisition form (called a “Z-Order”) signed by the Headteacher and in her absence the Deputy Head. All Z-Orders must carry the authorising signature of the Headteacher who will sign the Z-Order and the Headteacher or Office manager will issue the relevant cost centre coding.
- Orders raised by the Headteacher will be authorised and approved by the Chair or Vice chair of governors. (e-mail authorisation is acceptable)
- Official orders are used for most purchases of goods and services with the exception of utility services, rents, rates, petty cash payments and some online orders.
- Any purchase made out of hours are presented to the Office Manager as soon as possible
- Official orders are ruled off below the last item recorded and all copies of the order are retained in the office
- The Headteacher signs all orders prior to being processed. When orders are placed for services where the cost is unknown, a Z order is completed with cost TBA and the cost when known is submitted.
- Invoices will only be passed for payment when the Office Manager has shown approval that the goods or services supplied have been received at the correct quantity, standard and price expected.
- Payments should be made with reasonable limits using credit line facilities to their full to ensure maximum funds kept on deposit. Where discounts for prompt payment are offered, taking advantage of quick payment should be made where appropriate
- Invoices should only be certified by the authorised signatories as on the Authorisation manual.
- When invoices have been authorised and paid they must be filed in cheque number order.

- Separation of duties is clearly established by the authorised signatory list and this is adhered to
- No payment will be made to individuals unless they are for goods or for agreed works carried out on presentation of an invoice.
- Payments to individuals will generally be made through the payroll provider or upon receipt of an invoice for works carried out.
- The school will not issue gift vouchers to members of staff or any other types of gifts
- The Governing Body complies with current legislation in that all organisations are required to retain complete accounting records for the immediate six past years plus the records of the current year.
- The school has a 'Green Procurement' policy
- Purchases can be made by school credit card (see policy attached – Appendix I)

2.2.10 Goods Received

- The goods must be checked against delivery notes and official orders and only then distributed by designated personnel and distributed to the budget holders.
- Invoices/Z orders will be stamped with a 'received' stamp and dated.
- Goods above the value of £200 should be listed on the school inventory. However as good practice we also list any new items of furniture at a lower value e.g Office chairs, book shelves etc. At Holly Park we also include lower value portable and easily stolen items e.g cameras

2.2.11 Capital Spending

- Capital funds are devolved to Community schools to implement capital works identified by the school
- Expenditure, building works and ICT purchases must be £6,000 and above to be considered capital expenditure. Suitable works are defined in the LA capital expenditure Annex D of the scheme

2.2.12 Contracts

Under £5,000 – two quotations but where difficult to obtain – a note supporting the spend.

£5,000 - £10,000 – 2 quotations.

£10,000 -£25,000 – 3 quotations.

£25,000 - £75,000 - 3 quotations and approval by Chair of Governors.

Over £75,000 – Tender Process to be followed as specified by the LB Barnet.

The value of the contract is to be determined by the value of the life of the contract.

2.3 Personnel

2.3.1 Governing Body will ensure that systems are in place to allow all payroll transactions to be processed correctly through the payroll system. Systems will also be in place where payments are made to personnel in respect of the reimbursement of expenses and other monies. Payments will not be made to any member of staff (employed or visiting) through any other mechanism.

2.3.2 In order to ensure separation of duties, the Headteacher will, where possible, allocate duties to ensure that an appropriate division of responsibility exists in the area of completing, checking and authorising of all documents and claims relating to employment matters and expenses. These roles should not ideally be the responsibility of one person.

2.3.3 For information on the **LA and Payrolls** –

- a) The school is contracted with the LA's Personnel and Payroll services

- b) The school has a Pay Policy.
 - c) All contracted staff are paid through the payroll system and payments are made through appropriate agencies for supply staff.
 - d) The LA sends payroll information to the school and this is checked on a monthly basis. Any errors or omissions are reported to the relevant service for correction. A sample payroll test should be taken against a randomly selected employee each month and the pay calculated manually to ensure the integrity of the Local Authority payroll system.
- 2.3.4 The Office Manager notifies Personnel of any staff changes
- 2.3.5 The Headteacher and Deputy Headteacher can approve appointment and payment for supply work both teaching and non-teaching.
- 2.3.6 Personnel files for members of permanent staff are kept in the headteacher office and confidentiality is maintained at all times.

2.4 Security of Stocks and Other Property

- 2.4.1 The Headteacher will ensure that safe, secure and efficient procedures exist for the custody of cash and cheques on the school premises, the recording and security of all school assets in the Inventory Book and for full and managed stock control
- 2.4.2 The Headteacher will ensure that inventories are maintained of all assets held by the school both on and off the premises and that those inventories will be checked at least once a year. All discrepancies will be investigated and signed off by the Headteacher. All discrepancies over £100.00 shall be reported to the next meeting of the Finance Committee of the Governing Body.
- 2.4.3 The Headteacher has the authority to write off redundant or non-repairable items to the value of £1,000.00 at her discretion.
- 2.4.4 A school inventory spreadsheet lists school assets room by room.
- 2.4.6 Safes and similar secure storage facilities will be kept locked at all times throughout the school day except where access is required. Keys will be removed to be held by keyholder(s) who will be nominated by the Headteacher. Normally, keys must not be left on the premises out of school hours except within a secure key safe.
- 2.4.7 The Headteacher, The Deputy Headteacher, The Site Manager and The Assistant Caretaker are the only official building keyholders. The school is alarmed when closed.
- 2.4.8 A list of all keyholders will be maintained by the school and the loss of any keys must be reported to the Headteacher and, if necessary, to the Local Authority.

2.5 Income

- 2.5.1 The Governors have a charging policy in place. This is available on the school website. The policy covers parental contributions for instrumental tuition, trips and other school activities
- 2.5.2 The Pupil Support Officer, Office Manager and Admin Assistant maintain a class list on which is recorded money collected for day trips and school journeys.
- 2.5.3 The collection of income relating to day trips and other activities is paid into the appropriate bank account. A full reconciliation is done monthly.
- 2.5.5 For information on **Voluntary and Unofficial Funds** –

- The school no longer has a separate School (Voluntary/Private) Fund
- If a school fund was to be reintroduced at any time, the Governing Body would be responsible for monitoring funds and for appointing auditors annually.
- The Finance Committee appoints the auditor. The accounts are audited annually and a copy of the audit report sent to the governors. A PG18 is sent to the LA as per the Scheme for Financing Schools
- No payment will be made without an invoice
- Two signatories are required to sign all cheques

2.5.6 Audit of Voluntary and Private Funds

The Governing Body is responsible for all voluntary and private funds which may be held by the school. Its permission is required before any unofficial fund is started. The Governing Body may delegate responsibility for a fund to the Headteacher or other employee and spending from the fund may then be at his/her discretion. The Governing Body must monitor the activities of all unofficial funds to ensure they comply; where appropriate, with HM Revenues & Customs and Charity Commissioners requirements. The Governing Body must appoint auditors, whose fee must be charged to the unofficial fund. Where a fund's turnover (or the turnover of all the school's unofficial funds) exceeds £10,000 any auditor must be a qualified accountant. Within six months of the end of the fund's accounting year the Governing Body must receive the audited accounts of all unofficial funds together with a report from the responsible employee. Further an Unofficial Fund Account – Auditors Statement (in a form determined by the Chief Finance Officer) or a certified copy of the audited accounts must be submitted to the Chief Finance Officer, who may report to the Governing Body if he/she thinks it fit.

2.6 Income and Banking Arrangements

- 2.6.1 The Headteacher will ensure that all income and monies due to the school will be correctly identified and accounted for and banked promptly in accordance with the set procedures laid down by the Governing Body.
- 2.6.2 Wherever possible, the Headteacher will ensure that responsibility for determining sums due to the school is separated from the responsibility for collecting and banking such sums although this may not always be possible.
- 2.6.3 The school is a cashless school now. However, if any money were to be received, all cash income over £2.50 is receipted as the receipts provide the payer with evidence that money has exchanged hands. They are also a means of recording the amount of income received and dates of the transactions. A copy of the receipt is retained in the office.
- 2.6.4 The Headteacher will ensure that proper control is maintained over the operation of all banking accounts and that those bank accounts are reconciled on a regular basis and reflect the accounting records held by the Office Manager.
- 2.6.5 Deposit accounts and investment accounts relating to the school are subject to the same controls as current accounts.
- 2.6.6 For information on **Banking Arrangements** –
- Cheques are written for the categories of expenditure detailed on the school budget
 - Two signatures are required on all cheques
 - The authorised signatories are –
 1. Headteacher
 2. Deputy Headteacher
 3. SENDCO

4. Office Manager

- 2.6.7 The Finance Committee must approve individual purchases above £10,000.
- 2.6.8 Cheques are never pre-signed and the school does not issue post-dated cheques
- 2.6.9 When not in use, all used and unused cheque books are securely kept in the school safe
- 2.6.10 Bank statements are received monthly and reconciled with accounting records
- 2.6.11 The school uses an online payment system called 'School Money' for parents to make payment to the school for dinner money. This system records income from parents and allows parents to pay for school meals by credit or debit card. The school Money system is managed by the Office Manager.
- 2.6.12 The school has the approval of governors to accept Child Care Vouchers. These can be used to pay for extended services. These are reconciled via the school bank statements by the Finance Team.
- 2.6.13 The school invoices parents for additional nursery hours (see nursery charging & For extended day policy) The delegation and separation of duties for this is such that one of our Nursery team makes the bookings and allocations for extended services and the Office Manager prepares and sends the invoices and chases late payments.

2.7 Charging for Goods and Services

- 2.7.1 Where invoices are to be raised, the school will do so promptly. On the rare occasion where cash is collected, (over £2.50) a receipt always will be issued. However as we are cashless and parents pay via School Money – parents receive an automated receipt to their e-mail address.
- 2.7.2 As regards the charging and remission of fees, the Governing body will determine Lettings Policy and charging prices annually. The policy adopted will be based on recommendations put forwards by the Headteacher and based on guidance issued by the local Authority
- 2.7.3 For information on **Lettings** -
- The school has a letting policy
 - School lettings are administered by the Office Manager
 - Official LA invoices, booking, acceptances are issued at the correct time
 - All lettings are paid in advance
 - All income is paid into the School Bank Account
 - All out of school lettings are managed through 'Sharesy'
 - The school lets the premises for externally run clubs at lunchtimes and after school. All DBS requirements are checked. Providers complete letters of assurance and service level agreements.

2.8 Governing Body

- 2.8.1 Payment of expenses (if any) to Governors will be made and the terms set by the Governing Body
- 2.8.2 The Governing Body recognises the importance of maintaining high standards of business administration and requires that a Register of Interests be maintained by the Clerk to the Governing Body and that the Register be reviewed annually. An overview is shared on the school website.

2.9 Computer Systems

- 2.9.1 The Governing Body recognises the importance of protecting computerised management systems and the integrity of the data held within them and will approve the procedures to achieve this objective. The Governing Body will ensure that the school is registered under relevant UK data protection legislation and that all data is protected against loss.
- 2.9.2 The Headteacher will ensure that effective backup procedures are in place and that all backup tapes, disks or memory storage media used are stored safely and securely.
- 2.9.3 Access to school management computer systems (both financial and non-financial) will be limited to authorised staff only. These staff should use passwords which should never be disclosed.
- 2.9.4 Only authorised and approved software will be used to prevent the import of computer viruses. Staff will only have access to those modules appropriate to their duties and responsibilities.
- 2.9.5 For information on the **Protection of Data** –
- A back up of the school Asset Inventory is on Google Drive
 - Finance data is stored:
 - On the school server
 - This is backed up in the cloud via LGFL
 - RM/Arbor finance data is stored in the cloud and backed up

3 Honesty and Integrity

- 3.1 Staff must maintain the highest standards of honesty and integrity in their work. This includes the handling and claiming of money and the use of school property and facilities.
- 3.2 All staff must comply with the Bribery Act 2010. A person may be guilty of an offence of bribery under this act if they offer, promise or give financial advantage or other advantage to someone; or if they request, agree or accept, or receive a bribe from another person. If you believe that a person has failed to comply with the Bribery Act, you should refer to the Whistleblowing procedure.
- 3.3 Gifts from suppliers of the school must be declared to the Headteacher, or to the Chair of Governors if the Headteacher is the recipient, with the exception of “one off” token gifts from students or parents. No gifts or hospitality are to be accepted from contractors who are considering or submitting a tender during a tendering period.
- 3.4 All relationships of a business or private nature with external contractors, or potential contractors, should be made known to the line manager. Orders and contracts must be awarded on merit, by fair competition against tenders and no special favour should be shown to businesses run by, for example, friends, partners or relatives in the tendering process. No part of the local community should be discriminated against.
- 3.5 The giving and receiving of small gifts at specific times such as Christmas, the end of the school year or to mark other religious festivals is a normal and natural part of school life. However, the following common sense guidelines should be considered.
- 3.6 Giving gifts

- Pupils should be advised against giving extravagant or expensive gifts to staff. Staff should seek advice from a senior member of staff if they are unsure about accepting a gift.
- In the interests of safeguarding children, and to prevent staff from being open to accusation of exerting undue influence, personal gifts from individual members of staff to individual pupils are inappropriate and could be misinterpreted. Small end of term gifts to the whole class are acceptable. If staff give out gifts to pupils, they should be given to all pupils in a group and nobody should be left out. Pupils are to be looked after without favouritism or antipathy towards any individual or group.

3.7 Receiving gifts

Staff should be wary about receiving gifts from parents which might make it difficult to care for their child in a fair and objective way. If a parent makes an extremely generous gesture such as the provision of holiday accommodation, for example, the member of staff should discuss this with the Headteacher before accepting.

Gifts of low intrinsic value or small tokens of gratitude including gifts from pupils, parents and guardians can be accepted. If the value exceeds £25 approval of acceptance must be obtained from the individual's line manager.

Gift Vouchers can be accepted as a gift.

If a gift is received from a group of pupils and parents and the value of the gift is more than £25 per donating family this gift is to be registered in the Register of Gifts and Hospitality

- 3.8 In the interests of transparency, a Register of Gifts and Hospitality is kept in the office. Where approval is granted, any gift or hospitality received with a value of over £25 must be recorded in the Register of Gifts and Hospitality. The register will specify:
- (a) Nature of gift/hospitality. In the case of a gift, it should be specified whether it is a personal gift for the recipient or a related party, such as a partner, or a corporate gift accepted by the recipient on behalf of the School
 - (b) Value of gift / hospitality. If the exact cost is not known an estimate should be provided.
 - (c) Name of firm / individual concerned.
 - (d) Date gift / hospitality accepted.
 - (e) Name of member(s) of staff involved.
- 3.9 If the Headteacher needs to declare a gift, this will be signed off by the Chair of Governors.

4. Whistleblowing

4.1 The Local Authority and school governing body seek to run all aspects of school business and activity with full regard for high standards of conduct and integrity. In the event that members of school staff, or governors become aware of activities which give cause for concern, the following whistleblowing policy, or code of practice, acts as a framework to allow concerns to be raised confidentially and provides for a thorough and appropriate investigation of the matter to bring it to a satisfactory conclusion. A purpose of the policy is to give all members of staff the confidence to come forward through agreed procedures and without fear of recrimination, to bring to the attention of the Head(or Chair of GB in the case of Heads) any serious impropriety, breach of procedure or raise issues of concern.

4.2 The school has a separate Whistleblowing Policy which should be read in conjunction with this Policy

5 Fraud

- 5.1 Staff must maintain the highest standards of honesty and integrity in their work. This includes the handling and claiming of money and the use of school property and facilities.
- 5.2 The school is committed to tackling fraud and other forms of malpractice and treats these issues seriously. It recognises that some concerns may be extremely sensitive and has therefore developed a system, which allows for the confidential raising of concerns within the school environment but also has recourse to an external party outside the management structure of the school. There is a whistleblowing policy which is applicable to staff, volunteers and governors.
- 5.2 We have systems and controls to safeguard against fraudulent or improper use of public money and assets. Staff are made aware of school policies and procedures related to fraud and theft, the controls in place to prevent them; and the consequences of breaching these controls. This information is included in induction for new school staff.
- 5.3 Being a cashless school really reduces the opportunity for cash fraud on the premises
- 5.3 We aim to review current practice on a regular basis to see if we can make systems better
And more secure

6 Debit & Credit Card

- 6.1 The school has a debit card (until summer 2025) and a credit card. The school has a debit card and a credit card policy.

7. Writing Off Debt

The Governing body may write off its debts, for which all reasonable cost effective recovery action has been demonstrated to have been taken, within the limit of £500. Beyond that it shall refer to the Chief Finance officer.

8. Deficits and Recovery Plan

The school will follow guidance as set out in the Scheme for financing schools

The council cannot write off the deficit balance of any school.

Schools may not generally plan for a deficit budget. In exceptional circumstances a deficit revenue budget may be permitted with approval from the Director of Children's Service. The maximum period of deficit budgets is 3 years.

A recovery plan must be agreed with the Chief Finance officer

The full governing body must consider and approve a draft budget and recovery plan by 1st May and report to the Chief Finance officer within 5 working days

9. Loans

The Governing Body may approve an application for an advance of the Budget share and or capital for future years for a specific capital project.

The school will follow guidance as set out in the Scheme for financing schools

Loans are used to spread the cost of a large one-off item of a capital nature that will have a lasting benefit

The maximum repayment is 5 years

Approval will be given by the Director for Children's Services and the Chief Finance Officer

10. Legal Costs

The school's delegated budget must meet legal costs incurred with the exception of dismissal and discrimination costs. These will usually be met by the LA.

11. SEND spending

The school is required to use their best endeavours in spending the budget share to secure appropriate support to pupils with special educational needs

12. Pupil Premium Spending

The school is required to use their best endeavours in spending the budget share to secure appropriate provision for Pupil Premium provision

13. Child protection

The school is required to release staff to attend child protection case conferences and other related events; the costs of which are to be met from the school's delegated budget.

14. Redundancy & Early Retirement Costs

The school must follow the LA guidelines for redundancy policy and procedures if expecting the LA to bear the costs of redundancy or early retirement.

Annex B of the Scheme for financing Schools sets out the position relating to the costs and who would be expected to pay. The governing body must take account of this guidance in reaching any decision about redundancies and retirements.

15. Retention of Financial Documents

The school will follow LA and GDPR guidance on document retention. See appendix 2.

16. Monitoring

16.1 It is the responsibility of the Governing Body to monitor the effective deployment of this policy. This responsibility has been delegated to the Finance Committee.

16.2 This policy will be reviewed on a biannual basis.



Document Control

Revision History

Version	Revision Date	Revised By	Revision
1.0	Spring 2015	Govs Finance	Reviewed
1.1	Spring 2016	Govs finance	Reviewed
1.2	June 2016	Ann Pelham	Reviewed to include register of gifts & hospitality
1.3	August 2016	Ann Pelham, Andrew Ballam Davies, Fiona Vettiakal	Reviewed to include the requirement for purchases made by the HT to be authorised by Chair or vice chair.
1.4	September 2016	SMT	Reviewed by SMT to reflect changes in Barnet scheme
1.5	December 2016	Ann Pelham	Reviewed and updated following a finance audit (Oct 2016)
1.6	Spring 2017	Govs Finance	Reviewed and updated
1.7	Spring 2018	Govs Finance	Reviewed and updated
1.8	Spring 2019	Govs Finance	Reviewed and updated
1.9	Spring 2020	Govs Finance	Reviewed and updated

2.0	Spring 2021	Govs Finance	Reviewed and updated
2.1	Spring 2022	Govs Finance	Reviewed and updated
2.1	Spring 2024	Govs Finance	Reviewed and updated

Signed by

	Name	Signature	Date
Headteacher	Ann Pelham		March 2024
Chair of Governors	Clare Hegarty		March 2024

Distribution

Shared with

- Staff via school server
- Parents via Website
- Governors via committee meetings

Date for next review

Spring 2026

Other Policies relating to this policy:

- Pay Policy
- Appraisal Policy
- Safer Recruitment Policy
- Child protection Policy
- Premises management Policy
- Whistleblowing Policy
- GDPR Policy
- Data protection Policy
- Critical Incident Policy
- Lettings Policy
- Charging & Remissions Policy
- Asset Management Policy
- Charging Policy – Nursery Extended Provision
- Governor Allowances Policy
- Credit Card Policy
- Debit Card Policy (until summer 2025)
- Green Procurement Policy
- Loan of School Equipment Policy

Appendix I

Declaration of a gift over £25 from a single ‘giver’

Member of staff	
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receiving the gift	
Nature of gift/hospitality. In the case of a gift, it should be specified whether it is a personal gift for the recipient or a related party, such as a partner, or a corporate gift accepted by the recipient on behalf of the School	
Value of gift / hospitality. If the exact cost is not known an estimate should be provided	
Name of firm / individual gift received from	
Date gift / hospitality accepted.	
Staff member receiving gift signature	
Date made know to Headteacher/Deputy	
Headteacher/Deputy signature	

Appendix 2

GUIDELINES FOR THE RETENTION OF FINANCIAL DOCUMENTS

Introduction

This section of the Financial Guide recommends the number of years that schools should retain their financial documents and records. Certain financial documents should be retained for a given number of years for legal purposes. For example, orders and invoices for goods & services should be retained for 6 years in case they are required for litigation purposes. After 6 years, most disputes concerning the supply of goods and services are not legally enforceable and therefore it is not usually necessary to retain the documents any further. The exception to this is contracts under seal where 12 years is applicable.

External Audit

All documents however, need to be retained for at least one complete financial year prior to the current financial year for external audit purposes. The term 'after external audit' refers to the formal closure of the audit for a financial year by the External Auditor. All financially related documents used in school (e.g. Cheque Stubs, Bank Statements, Paying-in Books etc) in a given financial year should be retained until such time as the audit of the authority's accounts has been formally closed. This is usually around September / October of the following financial year. The Auditor has to be satisfied that the Authority's accounts for a given year (including schools delegated & devolved accounts) are a true and fair representation of what has happened and he may have reason to investigate certain transactions / balances etc. as he sees fit.

It is usual for the financial records for the current and previous year to be readily available, however retaining documents from previous years need not take up valuable office space. As long as documents can be easily identified and accessed, they may be held in any secure place on the school's premises. Once the recommended retention period for a given type of document has expired, records may be disposed of. However, schools are advised to shred any sensitive documents / records (e.g. data re salaries).

Computerised Records

Computerised accounting records such as General ledgers, Posting Summaries, Bank Reconciliations etc. is retained in electronic medium. However back up copies of such files should be made and these should be stored either on site in a fire-proof strong room or else stored off site. The label on the back up file should clearly identify what the data relates to, e.g. '*Posting Summaries to LA FY06-07*'.

Retention Periods

The recommended retention periods for typical financial documents and records used in schools are set out below.

Retention Periods

Type of Documentation / Record	Minimum Retention Period
Banking & Accounting Records <ul style="list-style-type: none"> - Statements - Cheque stubs (where applicable) - Paying in Books - Ledgers & reconciliations - Posting Summary inc. VAT - Statement of School/LA Accounts (Outturn report only) - Bank Mandate(s) - Year end Creditor and Debtor Schedules 	6 complete years plus current year 6 complete years plus current year 6 complete years plus current year 6 complete years plus current year 6 complete years plus current year 6 complete years plus current year 6 complete years plus current year 6 complete years plus current year
Contract & Purchasing Records <ul style="list-style-type: none"> - Register of Tenders & Quotations - Unsuccessful tenders & quotations - Purchase Orders under tender - Purchase Orders not under tender - Delivery Notes - Lease Agreements 	Indefinitely 1 complete year plus current year 12 years 6 years 1 complete year plus current year 6 years
Expenditure Records <ul style="list-style-type: none"> - Invoices paid (under tender) - Invoices paid (not under tender) - Petty Cash vouchers - Timesheets, Overtime claims etc. - Expense Claims e.g. car mileage 	12 years 6 complete years plus current year 6 complete years plus current year 2 complete years plus current year 2 complete years plus current year
Other Records <ul style="list-style-type: none"> - Inventories - Disposal of Asset forms - Invoices / letters to debtors (e.g. lettings, school meals etc.) 	Indefinitely 6 complete years plus current year 2 complete years plus current year

However, the list is not exhaustive and schools should contact the Schools Accountancy Section on 020 8359 7216 in the event of any queries.